



Protect your correspondent connections with The KYC Registry from SWIFT

Demonstrate transparency and standardise know your customer compliance practices with our global KYC solution

“We welcome The KYC Registry as a way for banks in emerging markets to demonstrate transparency and manage their counterparties’ information requests accurately and efficiently.”

Steven Beck

Head of trade finance, Asian Development Bank

Key Benefits

- Establish your institution as a reliable, trustworthy and compliant business partner
- Streamline and align KYC processes and information exchange with global KYC standards
- Protect your correspondent relationships and your connection to the global financial system
- Respond to KYC requests quickly and efficiently, saving time and money
- Understand counterparty risk and demonstrate compliance and transparency
- Enjoy global, on-demand access to the same KYC information, regardless of location
- Save money with community pricing and added value services including KYC Adverse Media

Regulation is having a profound effect on the way correspondent banks do business.

Financial institutions, regardless of location, are expected to provide know your customer information to their counterparties to address KYC and customer due diligence (CDD) requirements. This can place a major burden on smaller banks and banks in developing markets, where compliance teams have fewer resources and regulations are less stringent.

For global banks, the cost of KYC and CDD can amount to tens thousands of dollars per counterparty per year. Banks in so-called ‘high-risk’ markets risk being cut off from correspondent banking relationships if they cannot demonstrate compliance, or if their KYC and CDD costs are too high.

SWIFT created The KYC Registry in 2014 to enable banks to exchange KYC information faster, more efficiently and cost-effectively. The Registry is a secure online data exchange solution that provides a global repository of KYC documents and data for correspondent banks and funds players.

More than 2,500 institutions in over 200 countries and territories joined the Registry in the first 18 months of operation. They are using it to standardise KYC processes, increase effectiveness and efficiency, and demonstrate compliance with Anti-Money Laundering (AML) and Counter Terrorist Financing (CTF) requirements.

The KYC Registry’s standardised ‘baseline’ set of data and documents was agreed with the world’s largest correspondent banks to address global

Key Features

- Comprehensive KYC dataset agreed with the world’s largest correspondent banks
- One-time upload of KYC information and one-click sharing with your counterparties
- Step-by-step onboarding support by SWIFT’s KYC Operations team
- Full control over your institution’s KYC data and documentation
- Data verification by SWIFT’s KYC experts
- Auditable user activity reports
- Simple and ethical usage-based pricing
- Unique added value services: SWIFT Traffic Profile and KYC Adverse Media

KYC requirements. It includes five categories of information: Identification of the customer; Ownership and management structure; Type of business and client base; Compliance information; and Tax information.

In a world where compliance demands are increasing and competition and cost pressures are growing, major banks are seeking trustworthy, reliable business partners. If you work at a smaller bank or in a developing market, The KYC Registry can help you demonstrate your institution’s transparency and compliance and reduce the cost of KYC and CDD for your counterparties.

The Registry also makes it easy for you to collect information about your counterparties for your own KYC and CDD activities.

Getting started

To start enjoying The KYC Registry's benefits, you first need to sign up and contribute your data. SWIFT provides a 'baseline' document explaining what KYC information is required.

You collect and upload your information for verification by SWIFT's team of KYC experts. Once verified, your information is published on the Registry, although it is not available to other institutions until you choose to share it with them.

As a KYC Registry member institution, you retain full ownership of your KYC information and control over who can access it. When counterparties request your KYC information, you can share it with the click of a button, replacing the need to spend hours or days responding to each incoming KYC request individually.

Of course, your KYC information will evolve, but data contribution remains a one-time effort. When your data or documents change, you simply upload the new information. Once SWIFT has verified it, every bank with access to your information will be notified of the changes automatically.

Demonstrate KYCC transparency

Regulators are increasingly emphasizing the need to understand and mitigate risk from counterparty activities. The SWIFT Traffic Profile addresses this requirement by providing valuable Know Your Customer's Customer (KYCC) insights and transparency.

Based on your global SWIFT message traffic, this optional report provides clarity about potential risks from counterparty relationships, including indirect or 'nested' accounts. You can use the Profile to understand your own risks and optionally share your Profile with counterparties as fact-based, independent validation of compliance, transparency and declared behaviour.

The SWIFT Traffic Profile is not judgmental and provides no information on the value or volume of underlying transactions.

Tips for smooth onboarding

The KYC Registry makes sharing KYC information with your counterparties much easier. Planning, a structured approach and teamwork are keys to getting a smooth start.

Here are some tips to make the onboarding process as fast and efficient as possible.

- Form a project team that includes the people who maintain your institution's KYC data, respond to KYC requests from other institutions and perform KYC and CDD on your counterparties.
- Ask KYC Ops to pre-populate your records with information from public records and documentation that you provide by email. Once SWIFT has uploaded this information, it will be shared with you for review and approval.
- Review and edit your information and submit missing or incomplete items as indicated by KYC Ops.
- Review and follow best practice information from KYC Ops, such as advice on where to find missing information.
- Collect remaining data and documentation.
- Upload your data and documents to the Registry. This can take as little as two hours once the other steps have been followed.
- Perform final check on all documentation as indicated by KYC Ops

SWIFT's KYC Operations Team will guide you throughout the process, answering questions and providing best-practice advice.

Visit www.swift.com/kycregistry or contact KYC.Registry@swift.com or your SWIFT Account Manager for more information

Streamline KYC data collection

The KYC Registry also makes it easier to collect information from your counterparties by providing a global source of standardised, up-to-date documents and data to support KYC and CDD activities.

And there's more. KYC Adverse Media offers instant access to a global database of business-critical news articles and regulatory notices about your counterparties and correspondents. Press articles are mapped to the relevant institutions, a unique feature which streamlines KYC and CDD processes and provides a cost-effective alternative to online searches for content of questionable quality.

In addition, SWIFTRef Bankers World Online provides a global source of reference data and financial information for correspondent prospecting and initial analysis. Taken together, The KYC Registry and Bankers World Online provide the broadest, deepest set of standardised, validated KYC information and reference data on the market.

Community-based pricing

As a member-owned cooperative, SWIFT reduces compliance costs for individual customers and the industry as a whole. The KYC Registry is a perfect example. There is no charge to join the Registry, contribute your data, or share your information with counterparties.

Data consumption charges are based on the number of institutions whose data you access, so you only pay for what you use. You can access this information as often as you need, without "seat licence" limitations. Separate fees apply for the SWIFT Traffic Profile and KYC Adverse Media service.

SWIFT is a global member-owned cooperative and the world's leading provider of secure financial messaging services. Our Compliance Services unit manages a growing portfolio of financial crime compliance services that address our customers' needs in the areas of Sanctions, KYC and AML.

Learn more at www.swift.com/complianceservices or contact your SWIFT account manager.